

SUBJECT:	<i>Heathrow expansion update</i>
REPORT OF:	<i>Head of Sustainable Development</i>
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WARD/S AFFECTED	<i>All</i>

1. Purpose of Report

This report provides Members with an update on the Government's decision on Heathrow Expansion; Heathrow Strategic Planning Group and discussions with Heathrow Airport Ltd with regard to a Memorandum of Understanding between the parties.

Items to note:

- 1) That the Government recommendation that additional runway capacity in the South East of England is provided at Heathrow with a 3rd Runway is noted;
- 2) That while South Bucks District Council recognises the economic benefits and growth that expansion will bring to the area there are concerns about negative impacts on our residents including from aircraft (particularly new routings or flight paths) and ground noise, reduction in air quality, pollution and construction impacts and that SBDC will be seeking assurances and mitigation (compensation?) from Heathrow Airport Ltd regarding these impacts;
- 3) That the Development Consent Order process will impose significant resource issues on the Council which will require appropriate compensation.

Items for RECOMMENDATION:

- 4) That Cabinet notes the ongoing negotiations with Heathrow Airport Ltd to agree a Memorandum of Understanding to cover future resources and agrees that the Chief Executive in consultation with the Leader and Head of Legal and Democratic Services be authorised to approve any future settlement.

2. Reasons for Recommendations

The items to note and the recommendation brings Members up to date on the implications that Heathrow expansion will have on residents and on the work of the Council.

3. Content of Report

- 3.1 The Government in making the recommendation that Heathrow Airport is expanded to create a third runway has accepted the Airport Commission's findings. Previously in January 2015 SDPAG and Council considered a report on the findings on the Airport Commission consultation was drafted. **A summary of the Airport Commission's findings and the SDPAG report and the Council's response are included in the Appendix to this report.**

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- 3.2 On 25th October 2016 the government recommended that a third runway at Heathrow should be constructed. A statement of principles has now been agreed between Heathrow Airport Ltd and the Secretary of State for Transport. The application for Heathrow's new runway will be determined under the 2008 Planning Act regime for Nationally Significant Infrastructure Projects (NSIPs). In order to proceed, a draft version of the National Policy Statement (NPS) will be published early in the New Year which will be subject to a 16 week consultation period. This NPS will then be subject to parliamentary debate, but it is anticipated will be designated by the end of July 2017. The NPS will provide the detail and the framework under which expansion will take place such as noise and air quality thresholds and aim to increase the number of staff and customers using public transport to access the airport. Meanwhile Heathrow Airport Ltd will begin preparing the Development Consent Order for submission to the Planning Inspectorate within approximately 3 years.
- 3.3 South Bucks has recently had experience of the DCO process with M4 Smart Motorway and is currently in the early stages of the Western Rail Link to Heathrow (WRLtH) DCO. We have recently negotiated a Planning Performance Agreement with Network Rail for the WRLtH DCO which will refund officers time spent on the project. It is likely that we will need to negotiate a similar agreement with Heathrow.
- 3.4 A number of authorities close to Heathrow already have an MOU with the Airport. In some cases there is also a financial arrangement. Any financial arrangement is conditional on the authority working with the airport operator. A number of meetings have been held between Bucks CC, SBDC and the airport operator at officer and Member level. The next meeting is likely to be on 16th November. A verbal update will be provided following this meeting. At the last officer meeting Bucks and SBDC suggested that any support for airport expansion would be conditional on mitigation being provided for the local communities. Communities likely to be affected are primarily Iver during the construction period and Iver, Dorney, Taplow and Burnham during operation as they are closest to both ends of the runway and are likely to experience an increase in aircraft noise (and potentially ground noise at Iver).
- 3.5 It is also likely that expansion of the airport will have a significant impact on the Colne Valley Regional Park. We are aware that the River Colne will be diverted and that compensatory flood storage will be needed and that this is likely to be provided on land to the south of Richings Park within South Bucks. Land in the Colne Valley Park will be lost to the third runway. In discussions with Colne Valley CIC, Heathrow have provided assurances that replacement recreation land and enhanced facilities will be provided.
- 3.6 Construction traffic routing is a major concern particularly for Iver residents. We will seek assurances that no Heathrow construction traffic uses local roads.
- 3.7 Air quality in Iver is already giving cause for concern. Additional motorway traffic (and possibly aircraft movements) will exacerbate this. It is likely that air quality thresholds will form part of the NPS and there will be strict limits. This will be an issue for local residents and will require monitoring.
- 3.8 None of South Bucks is within the property compensation zone. However it is applicable for all property to the south of the M4 at 125% of market value.

- 3.9 Aircraft noise is likely to affect more South Bucks residents than at present. We are expecting a consultation of routing of aircraft in 2017.
- 3.10 The Council is a member of Heathrow Strategic Planning Group. This group is formed by a consortium of local planning authorities who are all affected by Heathrow, they include London Boroughs, Slough, Windsor and Maidenhead, North Surrey authorities and SBDC and Bucks CC together with the LEPs. Heathrow Airport Ltd also attends. This consortium plays an important part in the duty to cooperate. The group is facilitated by the LB Hounslow. The one glaring omission to the group is Hillingdon who are sent minutes of the meeting but will not attend. GLA, TfL, DCLG and BIES are all observers. The group was formed and authorities attend on the basis that not all participants support expansion but recognise the economic importance of the airport and the environmental issues raised by airport operation and want to work with the airport operator to help resolve issues. All work so far was caveated by a 2 runway scenario or a 3 runway scenario.
- 3.11 We have been working for the last year on common issues including a shared vision. There are also four sub-groups – transport; planning; environment and employment/economy. SBDC is represented on the first three groups and Bucks LEP is represented on the fourth. Recently Heathrow Airport has commissioned a study on airport related employment and the brief was shared and commented on by the local authorities and a presentation was received from the consultants. This work is important and can be used by the LPA's in their local plan preparation. There is a summit on 10th November where the work of the group will be explained. This is being attended by senior figures in the LEP's, the local authorities, government departments and the Airport. Again any issues that come out of this Summit will be the subject of a verbal update.

4. Next Steps

- 4.1 Negotiate an MOU with Heathrow Airport Ltd in conjunction with Bucks CC making Heathrow aware of required mitigation for the local communities.
- Negotiate a Planning Performance Agreement with Heathrow to recharge officers time spent on the DCO.
- To continue attending the Heathrow Strategic Planning Group to align with other local authorities as far as possible on common planning issues.

5. Corporate Implications

Financial – Negotiations on recharge of officers' costs and compensation for local communities will take place.

Legal –The Council will consider entering into a Memorandum of Understanding with Heathrow Airport Ltd.

Sustainability Implications – Airport expansion will only be allowed if the airport's sustainability credentials are increased.

6 Links to Council Policy Objectives

- 6.1 This particularly links to the Council's aim of "sustainable and clean environment, protecting our heritage, protecting our future."